

Introduced by Senator Negrete McLeod

February 18, 2011

An act to amend Section 7019 of the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

SB 865, as introduced, Negrete McLeod. Contractors: expertise: legal representation.

Existing law requires a board under the Business and Professions Code, including the Contractors' State License Board, to provide legal representation to any person hired or under contract who provides expertise to the board in the evaluation of an applicant or the conduct of a licensee when that person is named as a defendant in a civil action arising out of the evaluation or any opinions rendered, statements made, or testimony given to the board. Existing law provides that the board is not liable for any judgment rendered against that person. Existing law requires the Attorney General to be utilized in the action and his or her services charged to the board.

Existing law authorizes the Contractors' State License Board to contract with professionals whose skills or expertise are required to aid in the investigation or prosecution of a licensee, registrant, applicant for a license or registration, or those subject to licensure or registration by the board.

This bill would require the Contractors' State License Board to provide for representation to any professional who provides expertise to the board in the evaluation of the conduct of a licensee, registrant, or applicant when, as a result of providing that expertise, the professional is named as a defendant in a civil action. The bill would further require that representation in any proceeding instituted by the board or to which

the board is a party, and would require the board to pay for any services rendered by the Attorney General. The bill would require indemnification for any judgment rendered against the professional, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7019 of the Business and Professions
2 Code is amended to read:

3 7019. (a) If funding is made available for that purpose, the
4 board may contract with licensed professionals, as appropriate,
5 for the site investigation of consumer complaints.

6 (b) The board may contract with other professionals, including,
7 but not limited to, interpreters and manufacturer's representatives,
8 whose skills or expertise are required to aid in the investigation or
9 prosecution of a licensee, registrant, applicant for a license or
10 registration, or those subject to licensure or registration by the
11 board.

12 (c) The registrar shall determine the rate of reimbursement for
13 those individuals providing assistance to the board pursuant to this
14 section. All reports shall be completed on a form prescribed by
15 the registrar.

16 (d) As used in this section, "licensed professionals" means, but
17 is not limited to, engineers, architects, landscape architects,
18 geologists, and accountants licensed, certificated, or registered
19 pursuant to this division.

20 (e) (1) *Notwithstanding Section 154.5, if a person is hired or*
21 *is under contract pursuant to this section to provide expertise to*
22 *the board in the evaluation of the conduct of a licensee, registrant,*
23 *or applicant, and that person is named as a defendant in a civil*
24 *action for defamation, tortious interference with prospective*
25 *business advantage, or any other civil cause of action directly*
26 *resulting from opinions rendered, statements made, or testimony*
27 *given to the board, its committees, staff, legal counsel, or other*
28 *representatives, or in any proceeding instituted by the board or*
29 *to which the board is a party, the board shall provide for*
30 *representation required to defend that person in that civil action*
31 *and shall indemnify that person for any judgment rendered against*

1 *him or her. The Attorney General shall be utilized in the action*
2 *and his or her services shall be a charge against the board.*
3 *(2) The right of defense and indemnification under paragraph*
4 *(1) shall be the same as, and no greater than, the right provided*
5 *to a public employee pursuant to Section 825 of the Government*
6 *Code. Nothing in this subdivision shall be construed as expanding*
7 *or limiting any immunity from liability otherwise provided by law.*

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